

-BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH-

IN THE MATTER OF THE APPLICATION OF)
FOR)
A CERTIFICATE OF CONVENIENCE AND)
NECESSITY TO OPERATE AS A PUBLIC)
UTILITY RENDERING CULINARY WATER)
SERVICE OR EXPANSION OF SERVICE AREA.)

DOCKET NO. 86-999-08
UTAH PUBLIC
SERVICE COMMISSION

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APPLICATION RECEIVED

To the Public Service Commission of Utah Salt Lake City, Utah.

1. Exact name of applicant (company name):

Willow Creek Water Company Inc.
A Nonprofit Corporation

2. Principal office address, phone number, and email address:

14015 North 400 West
Beaver Dam Utah 84306
(435) 458-3429
Alton.Veibell@gmail.com

3. Name of state in which applicant is incorporated and date of incorporation Utah Mar. 02, 1998

Number 2047212-0140. A certified copy of the Articles of
Incorporation and By-laws should accompany this application unless a copy is on file with the
Commission. If not incorporated, describe the type of organization and state in which it is
organized.

See Attachment #3

4. The officers and directors (or partners) of applicant are as follows:

Name and Principal
Office Held

Business Address

<u>J. Alton Veibell (president)</u>	<u>14015 N. 400 W. Beaver Dam Ut. 84306</u>
<u>Allen E. Burris (Director)</u>	<u>740 E. 400 S. Smithfield Ut. 84335</u>

Craig A. Veibell (Director)

14085 N. 400 W. Beaver Dam UT 84306

5. The type of service (water, sewer or both) which applicant proposes to render is:

Water: Class A, B, C, and D Shares

6. Applicant is in compliance with and agrees to comply with all regulations and requirements of all state and local government agencies. Copies of all required permits and approvals are made a part of this application. Applicant will be receiving through its water distribution system water from a Commission approved supplier or has attached to this application proof of ownership of sufficient water rights, of sufficient storage, of an approved source with sufficient water flow and of an approved point of diversion.

See Attachment # 6

7. If the applicant is conducting operations at the present time, furnish the following information:

- (a). A description of the nature and extent of the service rendered.

Class A + B Shares Cullinary and Garden
Class C & D Shares Stock Water and Irrigation

- (b). The date applicant commenced rendering such service.

1993

8. The areas which the applicant proposes to serve, and those presently served, if any, are as described below (legal description) and as shown on a map attached hereto (for public utilities a map should also be part of the tariff).

High Country Estates Subdivision
Spring Ridge Estates Subdivision.
See Attachments.

9. How Many Connections will the company serve and type (residential / commercial)?

83 Residential
Some Commercial until all 83 are in place

10. The names of any water companies that are providing (or proposing to provide) similar service near or in any part of the area covered by this applicant are as follows:

None

11. The applicant is financially responsible as shown by a true and correct financial statement attached hereto and made a part of this application.

See Attachment # 11

12. Applicant's proposed tariff, including a map and rate schedules, along with work papers showing how the proposed rates were determined, is also attached as a part of this application.

See Attachment # 12

WHEREFORE, applicant prays that the Commission grant a Certificate of Convenience and Necessity to the applicant to operate as a public utility as described above.

I, J. Alton Veibell (president), swear that the information provided in this application is complete and accurate to the best of my knowledge.

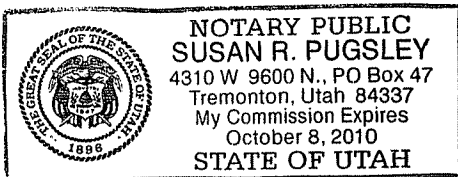
Signature, Title, J. Alton Veibell (president)

Dated this 13th day of March, 2009.

Subscribed and sworn to before me this 13th day of March, 2009.

Notary Public: Susan R Pugsley

Residing at: Tremonton, UT



My Commission Expires: 10-08-2009

Name, address, phone number, and signature of attorney representing application:

Hillyard, Anderson, Olsen
Attorneys At Law
Gary Anderson
595 South Riverwoods Pkwy Suite 100
Logan, Utah 84321
(435) 752-2610

(A \$100.00 filing fee must accompany this application)



FEB 01 2007

Francine Giani
Executive Director
Department of Commerce

Jon M. Huntsman, Jr.
Governor
State of Utah

Kathy Berg
Director
Division of Corporations
& Commercial Code

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF CORPORATIONS & COMMERCIAL CODE
CERTIFICATE OF REGISTRATION

J ALTON VEIBELL
WILLOW CREEK WATER COMPANY
14015 N 400 W
BEAVER DAM UT 84306



State of Utah
Department of Commerce
Division of Corporations & Commercial Code

CERTIFICATE OF REGISTRATION

Corporation - Domestic - Non-Profit

This certifies that **WILLOW CREEK WATER COMPANY** has been filed and approved on **March 02, 1998** and has been issued the registration number **2047212-0140** in the office of the Division and hereby issues this Certification thereof.

A handwritten signature of Kathy Berg in cursive script, enclosed in a rectangular box.

KATHY BERG
Division Director



State of Utah
DEPARTMENT OF COMMERCE
Division of Corporations & Commercial Code
Articles of Conversion

EXPEDITE**CONVERSION**

This guide-sheet is not intended to substitute nor replace the advice of an attorney. We strongly encourage you to consult with an attorney. This guide-sheet is intended to provide you with information about filing Articles of Conversion.

1. The articles of conversion shall state:

First: The date and state where the subject entity was first created and, if it has changed, its jurisdiction immediately prior to its conversion;

March 2, 1998 ✓

Utah

Date

State / Jurisdiction

Second: The name of the subject entity immediately prior to the filing of the articles of conversion;
Willow Creek Water Company, LC

Third: The name of the entity as set forth in its converted entity filing;
Willow Creek Water Company (A Nonprofit Corporation)

Fourth: The future effective date of the conversion to the new entity if it is not to be effective upon the filing of the articles of conversion;
N/A

Fifth: Under penalties of perjury, I declare that the articles of conversion have been duly approved by the owners of the entity.

Dated Jan 27, 2007

By:

John Alton Veihell

2. Additional filing requirements:

The non-refundable processing fee of \$37.00 payable to the State of Utah.

You may file in person, by mail, or fax. Means of payment are, cash, check, or money order made payable to the "State of Utah". If you are faxing you must include, on a cover sheet, the number of a Visa, MasterCard or American Express with the date of expiration.

Under GRAMA (63-2-201), all registration information maintained by the Division is classified as public record. For confidentiality purposes, the business entity physical address may be provided rather than the residential or private address of any individual affiliated with the entity.

Mailing/Faxing Information: www.corporations.utah.gov/contactus.html

Division's Website: www.corporations.utah.gov State of Utah

Department of Commerce
Division of Corporations and Commercial Code

I hereby certify that the foregoing has been filed
And approved on this 30th day of Jan 2007
In this office of this Division and hereby issued
this Certificate thereof.

Examiner John Date 1/31/07



Kathy Berg
Kathy Berg
Division Director

Date: 01/30/2007
Receipt Number: 2021720
Amount Paid: \$112.00



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State of Utah
Department of Commerce
Division of Corporations and Commercial Code

I hereby certified that the foregoing has been filed
And approved on this 30th day of Jan 20 07
In this office of this Division and hereby issued
this Certificate thereof.

Examiner Jeter Date 1/31/07



Kathy Berg
Kathy Berg
Division Director

ARTICLES OF INCORPORATION

CONVERSION

OF

WILLOW CREEK WATER COMPANY

A NONPROFIT CORPORATION

This is to certify that we, the undersigned, all being of full legal age, do hereby associate ourselves for the purpose of forming a nonprofit corporation under and by virtue of the Utah Revised Nonprofit Corporation Act of the State of Utah, and further certify that:

ARTICLE I: NAME

The name of the corporation shall be WILLOW CREEK WATER COMPANY.

ARTICLE II: DURATION

The term of existence of the corporation shall be perpetual.

ARTICLE III: PURPOSES

The purpose of the said Corporation and the business for which the same is formed is to own, operate and maintain water wells, reservoirs, water systems and underground pipe in the County of Cache, State of Utah; to purchase, acquire, to hold, and own water rights used in connection with the said water wells, reservoirs, water systems, underground pipe and the water supply flowing in and through the same and to regulate control and dispose of said water supply to the several stockholders of this corporation, and in general to do any and all things necessary and proper to be done in carrying out the business of a mutual water company.

ARTICLE IV: DISTRIBUTIONS

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III herein. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under

section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

ARTICLE V: MEMBERSHIP

This Corporation shall issue shares of stock evidencing membership therein, and the aggregate number of shares which the Corporation shall have authority to issue is One Hundred Fifty (150) shares. The qualifications of members of the Corporation, any property, voting and other rights and privileges of members shall be set forth in the bylaws. The stock of the Corporation shall be subject to an annual special assessment in order to enable the corporation to raise the necessary funds for the fulfillment of all of its purposes as above stated. The amount and process of levying each assessment or for metering the use of water together with the method of collection shall be controlled by the bylaws of the Corporation. In all cases, eighty-five per cent (85%) or more of the income of the Corporation must consist of amounts collected from members for the sole purpose of meeting losses and expenses.

ARTICLE VI: POWERS

The Corporation shall have all the general powers granted to a nonprofit corporation under the laws of the State of Utah as now enacted, including but not limited to the following: power to sell, convey, mortgage, pledge, lease, exchange, transfer or otherwise dispose of all or any part of its property and assets as provided by law; the power to construct and maintain canals, ditches, flumes, aqueducts and underground pipe system; and the power to convey all or any part of said water rights now vested in the Corporation or subsequently acquired by the same to the State of Utah if such should be necessary to obtain financing of any project entered into by the said Corporation.

ARTICLE VII: GOVERNING BOARD

The organization and control of the internal affairs shall be regulated by the Governing Board of Trustees. The number of trustees which constitute the whole board shall be such as from time to time shall be fixed by, or in the manner provided in, the bylaws, but in no case shall the number be less than three. The Governing Board of Trustees shall fill any vacancies at the annual meeting of the corporation to be held on such date as the bylaws may provide, or at a special meeting called for such purpose, and shall hold office until their successors are elected and qualified. The bylaws shall specify the number of trustees necessary to constitute a quorum.

ARTICLE VIII: INITIAL TRUSTEES

The number of trustees constituting the initial Governing Board of Trustees is three (3) and the names and addresses of the persons who are to serve as the initial trustees are:

<u>NAME</u>	<u>ADDRESS</u>
J. ALTON VEIBELL	14015 N 400 W Beaver Dam, UT 84306
CRAIG VEIBELL	14085 N 400 W Beaver Dam, UT 84306
BRYCE ERICKSEN	955 W Highway 30 Beaver Dam, UT 84306

ARTICLE IX: INCORPORATORS

The name and address of each of the incorporators is the same as the initial trustees listed above.

ARTICLE X: REGISTERED OFFICE – REGISTERED AGENT

The physical address of the corporation's initial Registered Office is 14015 N 400 W, Beaver Dam, UT 84306. The initial Registered Agent at such address is J. ALTON VEIBELL.

ARTICLE XI: LIMITATION ON LIABILITY OF MEMBERS

The private property of the members of the Corporation and the trustees and officers shall not be liable for the obligations of the Corporation.

ARTICLE XII: BYLAWS

Provisions for the regulation and management of the internal affairs of the Corporation shall be set forth in the bylaws.

ARTICLE XIII: AMENDMENT OF ARTICLES OF INCORPORATION

These Articles of Incorporation may be amended at any time in any manner which is permissible under the laws of the State of Utah; provided, however, that these Articles of Incorporation shall in no event be amended in any manner so as to change this corporation from a nonprofit corporation to a corporation organized or operated for pecuniary profit; nor shall the Articles of Incorporation be amended so as to make the purposes of the corporation inconsistent with the purposes as specified in ARTICLE III herein.

ARTICLE XII: DISSOLUTION

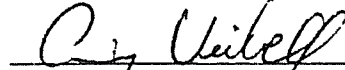
Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to the State of Utah or local government, for a public purpose. Any such assets

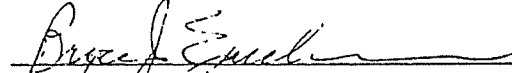
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not so disposed of shall be disposed of in such a manner as may be directed by decree of the District Court of the county in which the principal office of the corporation is then located, upon petition therefore by the Attorney General or by any person concerned in the dissolution.

DATED this 21 day of January, 2007.

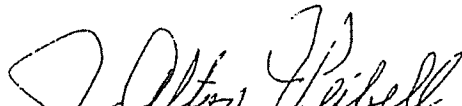

J. ALTON VEIBELL, Incorporator


CRAIG VEIBELL, Incorporator


BRYCE ERICKSEN, Incorporator

The undersigned hereby acknowledges and accepts his appointment as Registered Agent for the above named non-profit corporation.

DATED this 21 day of January, 2007.

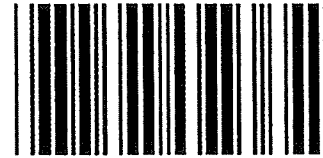

J. ALTON VEIBELL, Registered Agent

01-30-07A09:39 RCVD



State of Utah
DEPARTMENT OF COMMERCE
Division of Corporations & Commercial Code

Summary of Online Changes



Business Name: WILLOW CREEK WATER COMPANY

Entity number: 2047212-0140

Date of Filing: 03/31/2008

Principal Office Address:

Street 14015 N 400 W
City Beaver Dam
State UT
Zip 84306

Registered Principals:

New Information (added or updated)

Name ALLEN E BURRIS
Position Trustee
Address 740 E 400 S
Smithfield, UT 84335

Old Information (removed or updated)

Name BRYCE ERICKSEN
Position Trustee
Address 955 W HWY 30
BEAVER DAM, UT 84306

J Alton Veibell 03/31/2008

Under GRAMA {63-2-201}, all registration information maintained by the Division is classified as public record. For confidentiality purposes, the business entity physical address may be provided rather than the residential or private address of any individual affiliated with the entity.

**BY-LAWS OF
WILLOW CREEK WATER COMPANY
A NONPROFIT CORPORATION**

ARTICLE I

BOARD OF TRUSTEES:

Section 1. Number of Members: The business and affairs of this Corporation shall be managed by a Board of Trustees which shall consist of three (3) members. All Board members shall be members of the Corporation. At the inception of the Corporation, the Board shall consist of the members named in the Articles of Incorporation, and thereafter the members shall be elected by the membership.

Section 2. Regular Meetings: The Board shall meet for the transaction of business at such place as may be designated from time to time.

Section 3. Quorum: The members shall act only as a Board, and the individual trustees shall have no power as such. A majority of the trustees for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting although less than a quorum, may adjourn the same from time to time without notice until a quorum be at hand. The act of a majority of Trustees present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise provided by law.

Section 4. Terms of Members of the Board: The first board named in the articles of Incorporation shall serve until the first annual meeting of the membership. Thereafter the terms of the members of the Board shall be three (3) years.

Section 5. Vacancies in the Board: Any vacancies in the Board shall be filled by appointment by the Board of Trustees. Each Trustee shall hold office for the term for which he is elected or appointed and until his successor shall have been elected or appointed and qualified.

ARTICLE II.

OFFICERS:

Section 1. Executive Officers: The executive officers of the Corporation shall be a president and a secretary/treasurer. The executive officers shall be selected annually by the Board of Trustees. They shall be members of the Corporation.

Section 2. President: The President shall have general and active management of the business of the Corporation, subject to the direction of the Board.

Section 3. Secretary/Treasurer: The Secretary/Treasurer shall keep minutes of all proceedings of the Board of Trustees; he shall have custody of the corporate seal and the books and papers of the Corporation; he shall have the custody of all the receipts, disbursements, funds and securities of the Corporation; he shall perform such other duties as from time to time be assigned to him by the Board or the President. If required by the Board, he shall give a bond for the faithful discharge of his duties in such sums as Board may require.

ARTICLE III.

MEETINGS OF THE MEMBERSHIP:

Section 1. Annual Meetings: There shall be an annual meeting of the membership of the Corporation at such place as may be designated, on the first _____ in January of each year at 4:00 (~~a.m.~~) (p.m.), if not a legal holiday under the laws of the State of Utah, and if a legal holiday then on the next succeeding business day at the same time, for the transaction of such business as may come before the meeting.

Section 2. Special Meetings: Special meetings of the membership shall be held whenever called by the Board or by the holders of at least ____ memberships. Notice of each special meeting, stating the time, place, and in general terms the purposes thereof, shall be sent by mail to the last known address of all members at least ten (10) days prior to the meeting.

Section 3. Proxy: Every member may cast one vote either in person or by proxy, for each share of stock owned in connection with a lot owned in fee simple or under a contract to purchase provided payments are current by that particular member, solely or jointly, or by the corporation owning the lot or lots of which he is a stockholder and the member thereof.

Section 4. Quorum: At any meeting of the membership a quorum shall consist of members owning a majority of the shares in the Corporation, present in person or by proxy, and a majority in amount of such quorum shall decide any question that may come before the meeting.

ARTICLE IV.

MEMBERSHIPS;

Section 1. Qualifications: All persons owning or buying real property in High Country Estates subdivision, filed in the Box Elder County Records office and Spring Ridge Estates subdivision filed in the Cache County Records office, or in other real property that is accepted into the Company by the Board of Trustees are eligible to purchase one share of stock in the Corporation for each lot they own or are buying.. When two or more persons are the joint owners or purchasers of the real property in question, one and only one shall become a shareholder. Only shareholders shall be entitled to vote and one share is entitled to one vote.

Section 2. Shares Attached to the Lots: Whenever a member shall cease to own real property in _____ or shall cease to own stock in a corporation that owns real property in such subdivision, such member shall automatically be dropped from the membership roll of the corporation, provided that if any member shall become delinquent in payments under his contract to purchase, his rights to membership but not his responsibility and obligations shall be suspended during the period of delinquency.

Section 3. Members: A member shall have no vested right, interest, or privilege of, in, or to the assets, functions, affairs, or franchises of the corporation, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, or while he is not in good standing.

Section 4. Membership not Transferable: Each member shall be entitled to a share certificate evidencing membership, which shall be signed by the President, and by the Secretary/Treasurer of the Corporation. Shares shall be numbered and registered in the number and order in which they are issued. Upon the stub of each share certificate shall be entered the name of the person holding such certificate and the date of issuance. Each such certificate shall be valid only when held by and registered in the name of a member of the corporation and such certificate shall be subject to the by-laws then made and which may thereafter be made, and such by-laws shall be considered as and shall be an essential part of the contract between the corporation and the membership holding such certificate. No share may be sold, assigned, or transferred, voluntarily or by will or by operation of law except in connection with their sale of the lot to which the share is attached.

Section 5. Cost of Share: The initial cost of each share is _____. The cost of shares after the initial issuance of shares shall be at least as much as the initial cost and will be set by the Board of Trustees and will be sufficient to pay the installation costs and hookup fees.

Section 6. Annual Maintenance and Operating Fee: Every member shall be required to pay an annual maintenance and operating fee which will be assessed to the stock, the amount of which shall be determined by the Board and may be changed from year to year by the Board or by the members. The Corporation will be responsible for general maintenance and operation of the system and members are responsible for everything beyond their individual riser. The Corporation may also install meters and set water fees based on usage.

ARTICLE V.

Section 1. Order Levying Assessment: Every order levying as assessment must specify the amount thereof or each share, when, to whom and where payable and fix a day subsequent to the full term of the notice of assessment on which the unpaid assessment shall be delinquent.

Section 2. Delinquent Assessments: In the event that the assessment is not paid within thirty days after it is delinquent the following action may be taken by the Board: The water may be shut off to those lots for which the assessment has not been paid and the shares of stock may be purchased by the Corporation.

Section 3. Limits on Income: In all cases, 85% of the income obtained under these by-laws shall be used to pay for losses and expenses of the Corporation and any excess over this limit must be refunded in equal amounts on each share to the shareholders.

ARTICLE VI.

DISTRIBUTION:

Section 1. Points of distribution: The Willow Creek Water Company shall distribute water through service connections and meters solely maintained by the corporation in Cache and Box Elder Counties and in such places in and around said town as may be determined by the Board of Trustees. Each household, structure or dwelling unit, using water from the system shall be represented by a service connection and a separate share of stock designated for each household, dwelling unit or establishment receiving water. Residential connections shall consist of a _____ inch line. Non-residential connections shall be one (1) inch lines unless under the direction of the Board.

Section 2. Movement of service connection: No existing service connection shall be altered without the expressed approval of the Board of Trustees or the Watermaster. No existing service connection shall be moved without written notification to the corporation specifying where the connection is being moved from and where it will be moved to. If a shareholder wishes to move the location of a service connection, an appropriate disconnect and reconnect fee will be assessed as determined by the Board of Trustees.

Section 3. Metering: Water used by each service connection shall if it be deemed necessary by the Board of Trustees, be metered to determine actual water usage.

Section 4. Backflow protection: The Board of Trustees may require each connection to provide and maintain a device which prevents water from flowing into the company system. Such devices shall be approved by the State Drinking Water Division and any maintenance and inspection shall be done by a State Drinking Water Division Certified Inspector. Inspection reports shall be submitted to and a record maintained by the secretary of the company.

Section 5. Cross connections: The company may disconnect any service connection which it deems to be a threat to the chemical, bacteriological or radiological composition of the drinking water in the company system.

ARTICLE VII.

BILLING AND DELINQUENT BILLS

Section 1. Billing: Each service connection shall be charged for water used by either a time basis or gallonage basis, as to be determined by the Board of Trustees. The cost of water shall be determined by the Board of Trustees and it shall be reviewed annually prior to the shareholders meeting. The rate schedule shall be open for inspection by shareholders at any reasonable time.

The Board of Trustees may direct that the reconnection charge be equivalent to but no more than two months water usage.

That by these bylaws, all delinquent and unpaid accounts for the use of water shall, be declared to be the first and prior lien upon the corporate stock of the water user; that in any action where a judgment for delinquent account is obtained, the said corporation shall have the right to foreclose this lien and sell the corporate stock of the water user to satisfy the same.

ARTICLE VIII.

EXECUTION OF INSTRUMENTS:

Section 1. Checks, etc.: All checks, drafts and orders for payment of money shall be signed in the name of the Corporation by the president and the secretary/treasurer.

Section 2. Contracts, conveyances, etc.: The president and secretary/treasurer may execute any contract, conveyance or other instrument under the direction of the Board of Trustees.

ARTICLE IX.

AMENDMENT OF BY-LAWS:

Section 1. Power to Make By-Laws: The shareholders shall by majority vote have power to make and alter any by-law or by-laws including the fixing and altering of the number of Trustees, provided, that the Board shall not make or alter any by-law of by-laws fixing the qualifications, classifications or term of office of any member or members of the then existing Board.

Section 2. The Governing Board shall not be permitted to amend the by-laws contrary to the provisions of the Articles of Incorporation.

The foregoing by-laws were adopted by unanimous consent of the Trustees at a meeting held on the 2 day of March, 1998

J. Alton Heibel (president)
Secretary/Treasurer

- Attachment # 6 -



State of Utah

Department of
Environmental Quality

Richard W. Spratt
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

September 28, 2007

Alton J. Veibell
Willow Creek Water Company
14005 North 400 West
Collinston, UT 84036

Dear Mr. Veibell:

Subject: After-the-Fact Plan Approval, 250,000-Gallon Water Tank,
Willow Creek Water Company (Box Elder County), Water
System #02062, File #06162

The history of the construction of the subject water tank includes original construction plans received at the Division on March 26, 2003, from your consultant, Nichols Engineering, and revised plans received on July 18, 2003, and again on August 5, 2003, for a 200,000-gallon, concrete water tank. The Division granted construction approval in a letter dated September 4, 2003.

On or about June 1, 2007, you requested, for your new water tank, issuance from the Division of the Operating Permit required of all water tanks prior to use in any public drinking water system. At that time, the Division became aware that you had not constructed the Division-approved, 200,000-gallon water tank but that you had constructed a 250,000-gallon water tank without the necessary pre-construction approval from the Division.

You were informed of your obligation to submit after-the-fact construction drawings to the Division for Division review. Your consultant, Nichols Engineering, submitted these revised plans and specifications and they were recorded at the Division on August 9, 2007.

We have completed our review of the revised plans and specifications and hereby approve them as our review found them to basically comply with State Rules R309-110, -352, -500, -505, -510, -515, -520, -525, -530, -535, -540, -545, -550, -600, and -605.

Alton Viebell
September 28, 2007
Page 2 of 2

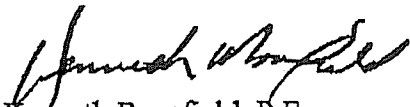
This letter documents your project's after-the-fact construction approval only. Issues which pertain to the separate operating permit that must be obtained from the Executive Secretary, as outlined in *R309-500-4(1)*, before the new infrastructure may be put into service, will be addressed in a separate letter from the Division.

Local or county approvals/permits may have been necessary before beginning construction of either the original or the modified project. The Division's after-the-fact construction approval of the 250,000-gallon water tank does not absolve you of any project obligations that you may have had, or continue to have, with local or county government. It is our understanding that your water system will use the new water tank to supply drinking water to both the High Country Estates Subdivision in Box Elder County and the proposed Spring Ridge Subdivision in Cache County. This letter from the Division should not be represented by you to Box Elder County or Cache County as evidence of anything more than after-the-fact construction approval of the subject 250,000-gallon water tank.

If you desire any further explanation, or if you have any additional questions, please contact Steve Onysko, Engineering Section Manager, at 801-536-0096.

Sincerely,

DRINKING WATER BOARD



Kenneth Bousfield, P.E.
Executive Secretary

sj0

cc: Joel Hoyt, Director., Environmental Health, Bear River Health Department., 655 East 1300 North, Logan, UT 84341
Kevin Hamilton, Planning Department, Box Elder County, 1 South Main St., Brigham City, UT 84302
Greg Martz, Box Elder County Fire Marshall, 52 South 1000 West, Brigham City, UT 84302
Josh Runhaar, Zoning Administrator, Cache County, 179 North Main St., Suite 305, Logan, UT 84321
Craig Humphreys, Fire Marshall, Cache County Fire District, 179 North Main, Suite 112, Logan, UT 84321



State of Utah

Department of
Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

September 28, 2007

Alton J. Veibell
Willow Creek Water Company
14005 North 400 West
Collinston, UT 84036

Dear Mr. Veibell:

Subject: Operating Permit Issuance, 250,000-Gallon Water Tank,
Willow ~~Creek~~ Water Company (Box Elder County), Water
System #02082, File #06162

We have completed our review of the file that contains materials that you, and your consultant, Nichols Engineering, submitted to the Division in support of an application for issuance of the required Operating Permit for the subject water tank. These materials include:

- Utah Registered Engineer's statement of what plan changes, if any, were necessary during construction;
- Utah Registered Engineer's Certification of Conformance that all of these changes were in accordance with applicable Utah Administrative Code, namely, *Rule Series 500, Drinking Water Facility, Construction, Design, and Operation*;
- As-built drawings;
- Evidence of proper flushing and disinfection in accordance with the appropriate ANSI/AWWA Standard.

The information that you and your consultant have submitted indicates that all conditions of operating permit issuance were accomplished. **This letter is your Operating Permit that allows you to use the new 250,000-gallon, concrete water tank in your drinking water system.**

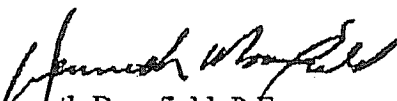
Alton Viebell
September 28, 2007
Page 2 of 2

It is our understanding that your water system will use the new water tank to supply drinking water to both the High Country Estates Subdivision in Box Elder County and the proposed Spring Ridge Subdivision in Cache County. This letter shall not serve as evidence of completion of your separate, remaining obligations for Division construction approval or Division Operating Permit issuance for other water infrastructure projects in either the High Country Estates Subdivision in Box Elder County or the Spring Ridge Subdivision in Cache County. This letter pertains solely to the issuance of the required Operating Permit for your new, 250,000-gallon, concrete water tank.

If you desire any further explanation, or if you have any additional questions, please contact Steve Onysko, Engineering Section Manager, at 801-536-0096.

Sincerely,

DRINKING WATER BOARD



Kenneth Bousfield, P.E.
Executive Secretary

sjb

cc: Joel Hoyt, Director., Environmental Health, Bear River Health Department, 655 East 1300 North, Logan, UT 84341
Kevin Hamilton, Planning Department, Box Elder County, 1 South Main St., Brigham City, UT 84302
Greg Martz, Box Elder County Fire Marshall, 52 South 1000 West, Brigham City, UT 84302
Josh Runhaar, Zoning Administrator, Cache County, 179 North Main St., Suite 305, Logan, UT 84321
Craig Humphreys, Fire Marshall, Cache County Fire District, 179 North Main, Suite 112, Logan, UT 84321

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State of Utah

Department of
Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

September 28, 2007

Alton J. Veibell
Willow Creek Water Company
14005 North 400 West
Collinston, UT 84036

Dear Mr. Veibell:

Subject: Plan Approval, Booster Pump Station for Uppermost Lots of New Additional Lots, High Country Estates Subdivision (Box Elder County), Willow Glen Water Company (Box Elder County), Water System #02062, File #07369

On August 24, 2007, the Division received the plans and specifications for the subject project from your consultant, Nichols Engineering. The project has its origins in the Division's concern that your 2007-constructed, 250,000-gallon, water storage tank (file #06162) will not be capable of meeting the minimum water pressure requirements, per *R309-105-9, Minimum Pressure*, at the uppermost lots in the High Country Estates Subdivision's proposed 27-lot addition:

- no less than 40 psi during peak day demand;
- no less than 30 psi during peak instantaneous demand; and,
- no less than 20 psi during fire flow and fire demand experienced during peak day demand;

Our understanding of the subject project is that it consists of building on to the existing well pump building to house dual Grundfos, 3 HP motor-driven, variable frequency drive (VFD) modulated, booster pumps. Some 300 lineal feet of 4-inch diameter, PVC waterline will also be installed to deliver the booster pump-pressurized water flow to the water distribution lines that will serve the uppermost lots. Your consultant has represented to us that at least 4 lots, and as many as 11 lots, in the new phase of the subdivision may have to rely on booster pump-pressurized water flow to meet the pressure standards.

Alton Viebell
September 28, 2007
Page 2 of 3

There is an unfortunate history of events associated with your construction of water system infrastructure to serve the new phase of development in the High Country Estates Subdivision. Division records show approval dates of February 17, 2000, and July 10, 2000, for a project submittal on behalf of your water system, described as *tank, pump building, waterline, & chlorine*, file #05320, but we have been unable to locate copies of the approval letters themselves. You have represented to us that one or both of these letters approved installation of waterlines of a mere 4-inch diameter, which the Division presently does not approve in community water system use as a general rule.

Also, the originally proposed, 200,000-gallon water storage tank was approved in a Division letter dated September 4, 2003. You failed to comply with the conditions of that approval inasmuch as you altered the design without Division pre-approval to a 250,000-gallon tank capacity, and you neglected to seek the required project re-approval, per *R309-500-6(2)(d)*, when you did not commence construction within one year of the approval letter date. In retrospect, it is clear that the water storage tank construction was approved at an insufficiently high ground elevation, in our letter dated September 4, 2003. It is unclear if the elevations of the uppermost lots in the proposed 27-lot addition to the High Country Estates Subdivision were accurately represented to the Division at that time. Had you sought the required re-approval in 2007, when the elevations of those lots was then known with certainty, it is very likely that we would have raised concerns over the water tank's proposed elevation.

Thus, the combination of missteps, with undersized waterlines and the inadequate water tank elevation, have brought us to the present, unfortunate fix of booster pumping in perpetuity for the uppermost lots. Although this remedy is allowed under the *State of Utah Administrative Rules for Public Drinking Water Systems*, the circumstance is disappointing for the High Country Estates Subdivision as there seems to be no convincing reason as to why larger-sized waterlines and a higher elevation water tank could not have been incorporated into the design.

On this basis, the plans for the proposed project are hereby approved as our review found them to basically comply with State Rules *R309-110, -352, -500, -505, -510, -515, -520, -525, -530, -535, -540, -545, -550, -600, and -605*. This approval pertains to construction only and a separate operating permit must be obtained from the Executive Secretary as outlined in *R309-500-4(1)*, before the new infrastructure may be put into service. A checklist that outlines the operating permit requirements is enclosed.

Local or county approvals/permits may be necessary before beginning construction of this project. As the project proceeds, notice of any changes in the approved design, as well as any change affecting the quantity or quality of the delivered water, must be submitted to the Division. We may also conduct interim and final inspections to ascertain compliance with

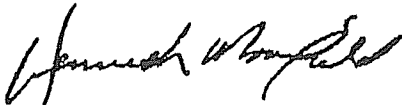
Alton Viebell
September 28, 2007
Page 3 of 3

the approved drawings. Please notify us when actual construction begins so that these inspections can be scheduled.

This approval must be renewed if construction has not begun or if substantial materials have not been ordered within one year of the date of this letter. If you desire any further explanation, or if you have any additional questions, please contact Steve Onysko, Engineering Section Manager, at 801-536-0096.

Sincerely,

DRINKING WATER BOARD



Kenneth Bousfield, P.E.
Executive Secretary

sjc

cc: Joel Hoyt, Director., Environmental Health, Bear River Health Department., 655 East 1300 North, Logan, UT 84341
Kevin Hamilton, Planning Department, Box Elder County, 1 South Main St., Brigham City, UT 84302
Greg Martz, Box Elder County Fire Marshall, 52 South 1000 West, Brigham City, UT 84302

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OLENE S. WALKER
Governor
GAYLE F. MCKEACHNIE
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Water Rights

ROBERT L. MORGAN
Executive Director

JERRY D. OLDS
State Engineer/Division Director

December 1, 2003

JAMES ALTON VEIBELL
14005 NORTH 400 WEST
COLLINSTON UT 84306

Dear Applicant:

RE: 29-1334 (a12000)

Request for extension of time in which to submit Proof of Beneficial Use contemplated by the above-numbered water right has been considered and the time for receiving Proof of Beneficial Use is hereby extended to May 31, 2013.

This extension is granted in accordance with the law which states: 'The construction of the works and the application of water to beneficial use shall be diligently prosecuted to completion within the time fixed by the state engineer. Extensions of time... may be granted by the state engineer on proper showing of diligence or reasonable cause of delay... In the consideration of an application to extend the time in which to place the water to beneficial use under an approved application... the state engineer shall deny such extension and declare the application lapsed, unless the applicant affirmatively shows that he has exercised or is exercising reasonable and due diligence in working toward completion of the appropriation.'

I earnestly recommend that you complete your development and submit Proof of Beneficial Use at the earliest possible date.

Utah water law provides that to maintain a water right's validity, the water must be beneficially used. The filing of a change application does not excuse placing the water to beneficial use or protect the right from the challenge of partial or total forfeiture.

If needed, please contact the LOGAN Regional Office.
The telephone number is (801)-752-8755.

Yours truly,

Jerry D. Olds, P.E.
State Engineer

JDO:dd

E X T E N S I O N G R A N T E D



JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Water Rights

MICHAEL R. STYLER
Executive Director

JERRY D. OLDS
State Engineer/Division Director

ORDER OF THE STATE ENGINEER

For Permanent Change Application Number 29-1334 (a29902)

Permanent Change Application Number 29-1334 (a29902) in the name of James Alton Veibell was filed on February 25, 2005, to add an additional point of diversion of 0.25 cfs of water as evidenced by Water Right Number 29-1334. Heretofore, the water has been diverted from a well located South 1287 feet and West 1320 feet from the E $\frac{1}{4}$ Corner of Section 23, T12N, R2W, SLB&M (existing 12-inch well, 226 feet deep). The water has been used for the irrigation of 8.25 acres from April 1 to October 31, the indoor domestic requirements of 33 families, and the stockwatering requirements of 150 head of livestock (in cattle or horses or equivalent species) from January 1 to December 31. The water was used in all or portion(s) of Section 23, T12N, R2W, SLB&M.

Hereafter, it is proposed to divert 0.25 cfs or 52.05 acre-feet of water from the same point as heretofore and from an additional point from a well located North 50 feet and West 1279 feet from the SE Corner of Section 23, T12N, R2W, SLB&M (12-inch well, 200-400 feet deep). The water will be stored the same as heretofore in the following reservoir: unnamed reservoir - from January 1 to December 31, having a capacity of 0.614 acre-foot in an excavated storage pool, and in all or portion(s) of Section 23, T12N, R2W, SLB&M. The nature of use of the water will remain the same as heretofore and fire protection (covered 200,000 gallon reservoir tank for fire protection). The place of use of the water will remain the same as heretofore.

Notice of the application was published in The Leader on March 23 and March 30, 2005. No protests were received.

It is the opinion of the State Engineer that this change application can be approved without adversely affecting existing rights. The applicant is put on notice that diligence must be shown in pursuing the development of this application, which can be demonstrated by the completion of the project as proposed in the change application.

It is, therefore, **ORDERED** and Permanent Change Application Number 29-1334 (a29902) is hereby **APPROVED** subject to prior rights and the following requirements:

1. Inasmuch as this application seeks to divert water from numerous points of diversion, it is necessary that detailed information be provided to the State Engineer to show which sources of supply are actually developed and used and the extent of their usage under this application. Upon the submission of proof as required by Section 73-3-16, Utah Code, for this application, the applicant must identify every source of water used under this application and the amount of water used from that source. The proof must also show the capacity of the sources of supply and demonstrate that each source can provide the water claimed to be

diverted under this right as well as all other water rights, which may be approved to be diverted from those sources.

2. Because this change application is based upon approved Change Application Number 29-1334 (a12000), which has a proof-due date of May 31, 2013, it assumes the same proof-due date of the parent.

This is your authority to develop the water under the above referenced Permanent Change Application which under Sections 73-3-10 and 73-3-12, Utah Code Annotated, 1953, as amended, must be diligently prosecuted to completion. The water must be put to beneficial use and proof filed on or before May 31, 2013, or a request for extension of time must be acceptably filed; otherwise the application will be lapsed.

Proof of beneficial use is evidence to the State Engineer that the water has been placed to its full intended beneficial use. By law, it must be prepared by a registered engineer or land surveyor, who will certify to the location and uses of the extent of your water right. The applicant is advised that, under Utah law, to maintain a water right's validity, the water must be beneficially used. The filing of a change application or the holding of an approved change application does not excuse placing the water to beneficial use to protect the right from challenge of partial or total forfeiture, whether the period of nonuse may have occurred either before or after the filing of the change application.

Upon the submission of proof as required by Section 73-3-16, Utah Code, for this application, the applicant must identify every source of water used under this application and the amount of water used from that source. The proof must also show the capacity of the sources of supply and demonstrate that each source can provide the water claimed to be diverted under this right as well as all other water rights which may be approved to be diverted from those sources.

Failure on your part to comply with the requirements of the applicable statutes may result in forfeiture of this permanent change application.

It is the applicant's responsibility to maintain a current address with this office and to update ownership of their water right. Please notify this office immediately of any change of address or for assistance in updating ownership.

The applicant is advised to contact the Dam Safety Section of the Division of Water Rights to ascertain if a Dam Safety permit is required for this Permanent Change Application.

Your contact with this office, should you need it, is with the Northern Regional Office. The telephone number is 435-752-8755.

This Order is subject to the provisions of Administrative Rule R655-6-17 of the Division of Water Rights and to Sections 63-46b-13 and 73-3-14 of the Utah Code which provide for filing either a Request for Reconsideration with the State Engineer or an appeal with the appropriate

ORDER OF THE STATE ENGINEER
Permanent Change Application Number
29-1334 (a29902)
Page 3

District Court. A Request for Reconsideration must be filed with the State Engineer within 20 days of the date of this Order. However, a Request for Reconsideration is not a prerequisite to filing a court appeal. A court appeal must be filed within 30 days after the date of this Order, or if a Request for Reconsideration has been filed, within 30 days after the date the Request for Reconsideration is denied. A Request for Reconsideration is considered denied when no action is taken 20 days after the Request is filed.

Dated this 20th day of April, 2006.

Jerry D. Olds
Jerry D. Olds, P.E., State Engineer

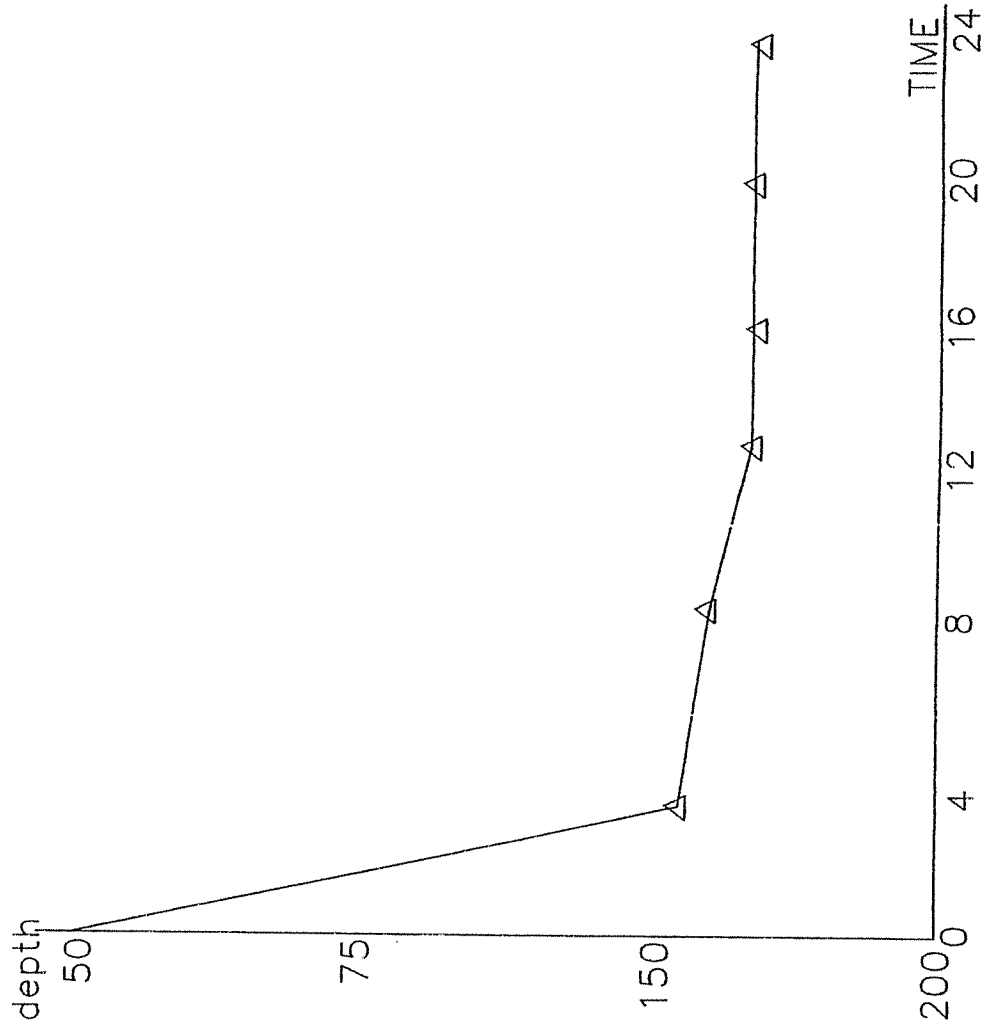
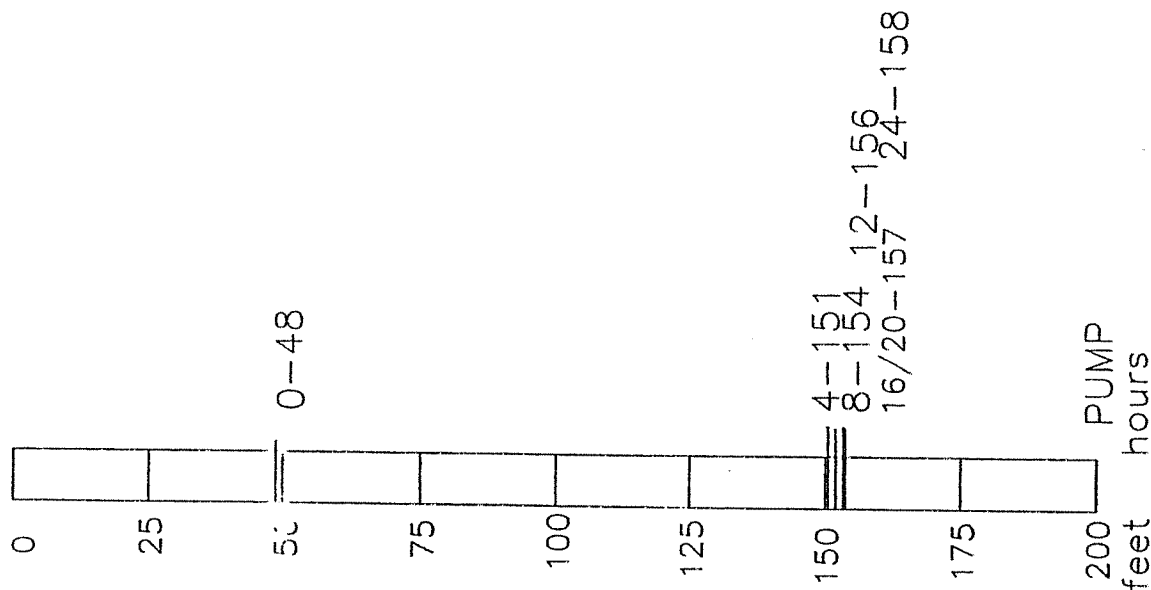
Mailed a copy of the foregoing Order this 20th day of April, 2006 to:

James Alton Veibell
14005 North 400 West
Collinston, UT 84306

David K. Marble, P.E.
Assistant State Engineer for Dam Safety
Division of Water Rights

BY: Kelly K. Horne
Kelly K. Horne, Appropriation Secretary

Alton Viebel well draw down
 Average 85 GPM, 226' well
 Performed 10/14-15/2005



PROJECT: 10-17207 DATE: 10/15/05	
FIRM NAME AND ADDRESS: NICHOLS ENGINEERING CO. 913 WEST 925 SOUTH BRIGHTON CITY, UT 84002 PHONE: 435-723-7944	
FIRM NAME AND ADDRESS: Alton Viebel well Drawdown	
PROJECT: 10-17207 DATE: 10/15/05	SHEET: 1 of 1

utah.gov Online Services Agency List Business	<input type="text"/> <input type="button" value="Search"/>
Utah Division of Water Rights	

(WARNING: Water Rights makes NO claims as to the accuracy of this data.) RUN DATE: 03/03/2009

 WATER RIGHT: **29-4265** APPLICATION/CLAIM NO.: A75779
 CHANGES: a31123 Approved

CERT. NO.:

OWNERSHIP*****

 NAME: Allen Burris
 ADDR: 740 East 400 South
 Smithfield, Utah 84335

DATES, ETC.*****

 LAND OWNED BY APPLICANT? Yes
 FILED: 04/26/2005|PRIORITY: 04/26/2005|PUB BEGAN: 05/18/2005|PUB ENDED: 05/25/2005|NEWSPAPER: The Leader
 ProtestEnd:06/14/2005|PROTESTED: [HearHeld]|HEARING HLD:11/17/2005|SE ACTION: [Approved]|ActionDate:02/10/2006|PROOF DUE: 02/28/2011
 EXTENSION: |ELEC/PROOF:[]|ELEC/PROOF: |CERT/WUC: |LAP, ETC: |LAPS LETTER:
 RUSH LETIR: |RENOVATE: |RECON REQ: |TYPE: []
 PD BOOK: [29-]|MAP: []|PUB DATE:
 Type of Right: Application to Appropriate Source of Info: Application to Appropriate Status: Approved

LOCATION OF WATER RIGHT***[Points of Diversion: Click on Location to access PLAT Program.]*****MAP VIEWER*****

 FLOW: 92.0 acre-feet SOURCE: Underground Water Well (existing)
 COUNTY: Box Elder COMMON DESCRIPTION: Beaver Dam

POINT OF DIVERSION -- UNDERGROUND: (Click Well ID# link for more well data.)

(1) N 50 ft W 1279 ft from SE cor, Sec 23, T 12N, R 2W, SLBM

 DIAMETER OF WELL: 12 ins. DEPTH: 200 to 300 ft. YEAR DRILLED: WELL LOG? NO WELL ID#:

 Comment:

(2) S 1287 ft W 1320 ft from E4 cor, Sec 23, T 12N, R 2W, SLBM

 DIAMETER OF WELL: ins. DEPTH: to ft. YEAR DRILLED: WELL LOG? No WELL ID#: 123519

 Comment: Drilled under 29-1334

USES OF WATER RIGHT***** ELU -- Equivalent Livestock Unit (cow, horse, etc.) ***** EDU -- Equivalent Domestic Unit or 1 Family

SUPPLEMENTAL GROUP NO. 28944.

IRRIGATION: 15.975 acres Div Limit: 0.0 acft. PERIOD OF USE: 04/01 TO 10/31

STOCKWATER: 200.0000 Stock Units Div Limit: PERIOD OF USE: 01/01 TO 12/31

DOMESTIC: 50.0000 EDUs Div Limit: PERIOD OF USE: 01/01 TO 12/31

###PLACE OF USE:	*-----NORTH WEST QUARTER-----*				*-----NORTH EAST QUARTER-----*				*-----SOUTH WEST QUARTER-----*				*-----SOUTH EAST QUARTER-----*			
	* NW	* NE	* SW	* SE	* NW	* NE	* SW	* SE	* NW	* NE	* SW	* SE	* NW	* NE	* SW	* SE
Sec 23 T 12N R 2W SLBM	*15.9750															

GROUP

PLACE OF USE for STOCKWATERING*****

	NORTH-WEST 1/4				NORTH-EAST 1/4				SOUTH-WEST 1/4				SOUTH-EAST 1/4			
	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE
Sec 23 T 12N R 2W SLBM	* X	:	:	:	*	:	:	:	*	:	:	:	*	:	:	:

OTHER COMMENTS*****

GENERAL:

On April 26, 2005, I made an application to appropriate 92.00 acre-feet from an existing well owned by Alton Veibell to be used in the Northwest 1/4 of Section 24, T12N, R2W, SLBM (this is a proposed subdivision in Cache County). This application was recently approved. On the application, I incorrectly identified the location of said well as being North 50 feet and West 1279 feet from the SE corner of Section 23, T12N, R2W, SLBM. This location is actually the location of a proposed well that my application was to appropriate from and which was the subject of various reports and a well test is actually located at South 1287 feet West 1320 feet from the E4 corner Section 23, T12N, R2W, SLBM. This request is to correct the location explained above. The heretofore location is for the proposed well and the hereafter location is both locations, that of the proposed well and that of the existing well, since both wells will eventually be used to supply the same reservoir.

PROTESTANTS*****

 NAME: United States Department of the Interior Fish and Wild
 ADDR: c/o Cheryl C. Willis
 PO Box 25486
 Denver, CO 80225-0486

 NAME: Bear River Water Users Association, Inc.
 ADDR: c/o Carly Burton (letter of concern)
 967 W. Bloomsbury Cove
 Murray, UT 84123

*****E N D O F D A T A*****

6:42 AM

03/11/09

Accrual Basis

Willow Creek Water Co. Inc.

Balance Sheet

As of December 31, 2008

	<u>Dec 31, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 - Key Bank	6,993.93
Total Checking/Savings	<u>6,993.93</u>
Total Current Assets	6,993.93
Fixed Assets	
2000 - Pump House	3,095.53
2025 - Water Tank	252,430.00
2075 - Beginning Investment (AV)	105,000.00
2100 - Equipment	6,389.80
2700 - Accumulated Depreciation	-5,611.18
Total Fixed Assets	<u>361,304.15</u>
TOTAL ASSETS	<u>368,298.08</u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
4000 - N/P Cache Box Properties Loan	4,500.00
4100 - Loan from Allen E Burris	252,430.00
4300 - Equity Loan from Alton Veibell	105,000.00
Total Long Term Liabilities	<u>361,930.00</u>
Total Liabilities	361,930.00
Equity	
5000 - Partners Capital	219.67
Net Income	6,148.41
Total Equity	<u>6,368.08</u>
TOTAL LIABILITIES & EQUITY	<u>368,298.08</u>

6:40 AM
03/11/09
Accrual Basis

Willow Creek Water Co. Inc.
Profit & Loss
January through December 2008

	<u>Jan - Dec 08</u>
Ordinary Income/Expense	
Income	
6000 - Water Use Fees	7,624.00
Total Income	<u>7,624.00</u>
Expense	
8280 - Water Tests	154.00
8290 - System Maintenance	81.62
8520 - Bank Charges	104.25
8530 - Postage and Delivery	19.69
8600 - Utilities	1,116.03
Total Expense	<u>1,475.59</u>
Net Ordinary Income	<u>6,148.41</u>
Net Income	<u><u>6,148.41</u></u>

Attachment # 12

WILLOW CREEK COMPANY INC.

**RATE SCHEDULES
AND
RULES AND REGULATIONS**

TARIFF NO. 1

Effective: Apr. 01, 2009

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WATER SERVICE RATE SCHEDULE

Applicability

Applicable in entire service area to water service for culinary purpose at one point of delivery.

Rates as herein set forth shall apply to each customer unit. A consumer unit is defined as a single unit dwelling or any store service station, cafe, factory, shop, processing plant, or other establishment or concern that might apply for culinary water service for domestic purposes.

The following rate is for a period of one month:

<u>Usage</u>		<u>Charges</u>
The First 13,000 gallons	\$38.00	minimum charge for each service connection per 1,000 gallons
The Next 11,440 gallons	\$1.00	

Premises temporarily without a meter will be charged the minimum rate.

Service Connection Charges

Size (3/4" , 1") of service to Property Line One-time charge for each service requiring new meter installation	\$5,000.00
Turn-on service where meter is already in place	\$150.00

Standby Service Charge

Standby Service Charge* _____ per month

*Applies to lots where service mains are in place and where water service is available, but no water service has been connected and no water service is used; or where water service has been disconnected by the Company at the request of the customer; or involuntarily by the Company after proper notice to the customer.

RULES AND REGULATIONS

1. **Water Use per Customer:** As stated in the Company Articles of Incorporation each user will own one or more shares of common stock in the Company. Each user will be entitled to use not more than 146,637 gallons of water per year for A. share 146,637 B. share 65,172 C.share and 65,172 gallons for D share. Each lot owner in the subdivision will be issued two shares of company stock when they purchase the lot. (1 A. and B. share)
2. **Connections:** No unauthorized person shall tap any water main or distribution pipe of the Company or insert therein any corporation cock, stop cock or any other fixture or appliance or alter or disturb any service pipe, corporation stop, curb stop, gate valve, hydrant, water meter or any other attachment, being part of the waterworks system and attached thereto. No person shall install any water service pipe or connect or disconnect any such service pipe with or from the mains or distribution pipes of said waterworks system, nor with or from any other service pipe now or hereafter connected with said system, nor make any repairs, additions to, or alterations of any such service pipe, tap, stop cock, or any other fixture or attachments connected with any such service pipe, without first obtaining a permit from the Company.
3. **Application for Permit:** Before any service connection shall be made to any part of the waterworks system, or any work performed upon old or new connections, a permit shall be obtained from the Company. Such permit shall be issued upon written application on forms obtainable from the Company. Applicants for water service shall furnish, lay and install at their own expense, all that portion of the service not provided the Company, subject however, to the supervision and inspection of the Company.
4. **Metering of Service:** All water delivered by the Company to its customers shall be metered through water meters. Meters may be checked, inspected, or adjusted at the discretion of the Company, and shall not be opened or adjusted except by authorized representatives of the Company. Only authorized representatives of the Company shall open meter boxes to turn on or off water except in case of emergency or when special permission is given by the Company.
5. **Meter Adjustments:** If the meter fails to register at any time, the water delivered during such a period shall be billed at the minimum rate. In the event a meter is found to be recording at less than 97 percent or more than 103 percent of actual, the Company may make such adjustments to the customer's previous bill as are just and fair under the circumstances.
6. **Service Connections:** Any person desiring to obtain a supply of water from the Company shall make application in writing. The service connection charges shown in this tariff include a meter, meter box, a cover, and a valved service line to the property line. The meter and meter box will be located as directed by the Company. All materials furnished by the Company shall remain its sole and exclusive property. Excavation and installation shall be made by the Company from the main line connection in the road to 3 feet beyond the meter.

RULES AND REGULATIONS (cont'd.)

7. **Service Line:** All service line materials and installation shall be provided by the applicant. Installation shall be inspected and approved by the Company before the service line trench is backfilled. A shut-off valve shall be provided by the applicant on each service line, in an accessible location separate from the water meter box.
8. **Water Use Restriction:** The owner or occupant of any building on premises entitled to the use of water from the Company shall not supply water to any other building or premise without written permission of the Company.
9. **Service Turn-on and Turn-off:** Only authorized representatives of the Company shall turn on or off water at the meter box except in case of an emergency or when special permission is granted by the Company. Service may be turned off by the Company when so requested by the applicant or when the applicant fails to abide by these regulations. Whenever the water is turned off at any premises, it shall not be turned on again until the customer pays all delinquent balances owing, late charges, and reconnection charges as shown in the rate schedule.
10. **Disruption Liability:** The Company shall use reasonable diligence to provide continuous water service to its customers, and shall make a reasonable effort to furnish them with clean, pure supply of water, but the Company shall not be held liable for damages to any water user by reason of any stoppage or interruption of his water supply caused by scarcity of water, accidents to works, water main alterations, additions or repairs, acts of God or other unavoidable causes.
11. **Damage to Facilities:** Costs of any damage resulting from the failure of the owner, agent or tenant to properly protect the water meter or other facilities of the Company installed upon premises supplied with water, shall be assessed against such owner, agent or tenant. Water consumers shall not tamper with or remove the meter, or interfere with the reading thereof.
12. **Reading of Meters:** All meters shall be read by the Company ^{yearly}~~monthly~~ and charges shall be based upon meter readings except as provided for in paragraph 4 above.
13. **Billings and Payments:** Bills covering the charges will be rendered and shall be due days after being rendered. If any customer neglects or refuses to pay a water service bill or any other obligation due to the Company within thirty (30) days from the date of said bill, the Company's employees shall have the right to go upon the premises and do such work as may be necessary to disconnect the water service. Before the service is renewed the delinquent bill or bills shall be paid in full, or payment arrangements satisfactory to the Company shall be made, and the established tariff charge for reconnection shall be paid.
14. **Discontinuance of Service:** Any customer wishing to discontinue service shall notify the Company so that the meter can be read for a final billing. Such final bill shall be due and payable upon receipt.

RULES AND REGULATIONS (cont'd.)

15. **Regulated Usage:** Whenever the Company shall determine that the amount of water available to its distribution system has diminished to such a volume that, unless restricted, the public health, safety and general welfare is likely to be endangered, it may prescribe rules and regulations to conserve the water supply during such emergency. Such rules and regulations may include, but shall not be limited to, the restriction to certain hours (or total prohibition) of the use of water for outdoor watering.
16. **Changes and Amendments:** The right is reserved to amend or add to these Rules and Regulations as experience may show it to be necessary and as such amendments or additions are approved by the Public Service Commission of Utah.
17. **Credit Deposit:** The Company may at its option, and in lieu of established credit, require a deposit from the customer to assure payment of bills; such deposits shall be a minimum of 60 days or \$76.00 This deposit may be refunded when credit has been established. Deposits held over 4 months shall earn interest from the Company at the rate of 04% per annum, beginning with the first day of deposit. Interest will be credited to the customer's account.

FACILITY EXTENSION POLICY

1. **Definition:** An extension is any continuation of or branch from, the nearest available existing line of the Company, including any increase of capacity of an existing line to meet the Customers' requirements.
2. **Costs:** The total cost of extensions including engineering, labor, and materials shall be paid by the applicants. If because of the extension and the additional water customers, additional water rights, pumps, storage, or other water plant must be acquired, the Company may require the applicants to pay these costs. Where more than one customer is involved in an extension the costs shall be pro-rated on the basis of the street frontage distances involved or upon such other basis as may be mutually agreed by the applicants. Sufficient valves and fire hydrants must be included with every installation.
3. **Construction Standards.** Minimum standards of the Company shall be met, which standards shall also comply with the standards of the Utah State Division of Drinking Water. Pipe sizes shall never be smaller than 4" (four inches) in diameter. The pipeline shall be installed only along dedicated streets and highways.
4. **Water Storage and Supply:** Except as provided for in paragraph 2 herein above, all costs for providing increased water supply and storage shall be paid by the Company. This cost shall include the installation and operation of pumps as required for proper pressure regulation of the system.
5. **Ownership:** Completed facilities and water rights shall be owned, operated, and maintained by the Company, including and through meters as detailed in the Tariff Rules and Regulations.
6. **Temporary Service:** The Customer will pay the total cost for the installation and removal of any extension for service to a venture of a temporary or speculative nature. Such costs will be estimated and paid before work is begun on the extension.

Attachment No. 12

MAPQUEST

Sorry! When printing directly from the browser your directions or map may not print correctly. For best results, try clicking the Printer-Friendly button.

14015 N 400 W
Collinston, UT 84306-9708200 N 600 W
Logan, UT 84321-3748Total Estimated Time: 17 minutes
Total Estimated Distance: 11.70 miles

Total Estimated Fuel Cost: Fuel Cost

▼ Directions from A to B:

- 1: Start out going NORTHWEST on N 400 W. 1.3 mi
- 2: Turn RIGHT. 0.3 mi
- 3: Turn RIGHT onto 14600 N. 0.4 mi
- 4: Turn RIGHT onto UT-30. 0.7 mi
- 5: End at 200 N 600 W Logan, UT 84321-3748

Estimated Time: 17 minutes Estimated Distance: 11.70 miles

Total Estimated Time: 17 minutes

Total Estimated Distance: 11.70 miles

Sponsored Links

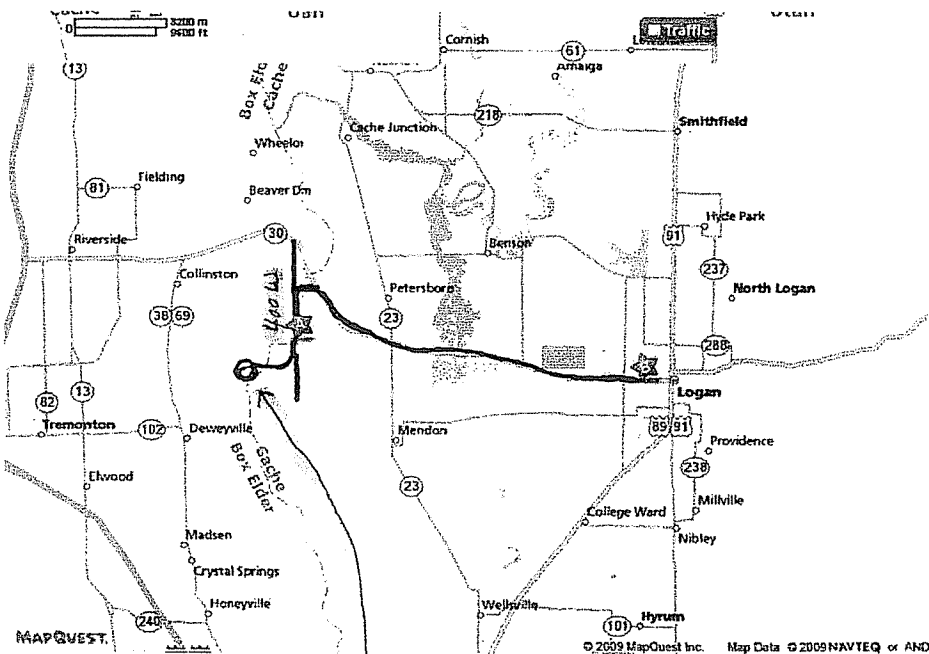
Logan UT Hotels
The Utah Hotel Site.
Best Rates on Logan Hotels.
utah-hotels.com/logan

Affordable Hotel Rates
Great Hotels in Logan WV.
Free Internet & Hot Breakfast Bar.
www.budget.com

Sponsored Links

Free Credit Counseling
Call Toll Free, 1-800-760-3571 to
Speak with a Certified Counselor.
ConsumerCredit.com

Credit Card Debt Relief
\$15K minimum unsecured debt.
Out debts over 50% avoid
bankruptcy
FreedomDebtRelief.com



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expediousness. You assume all risk of use. MapQuest and its suppliers shall not be liable to you for any loss or delay resulting from your use of
MapQuest. Your use of MapQuest means you agree to our Terms of Use.

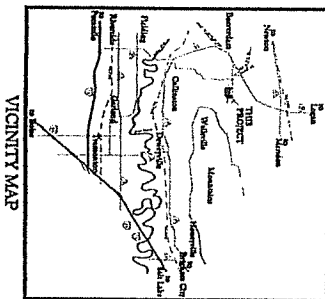
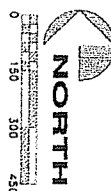
water storage tank
250,000 gal.

HIGH COUNTRY ESTATES

PRELIMINARY MASTER PLAN
PART OF THE EAST 1/2 OF SECTION 23
T12N, R24W, S1B & M, U.S. SURVEY
BOX ELDER COUNTY, UTAH
JULY 2006

(BASIS OF BEARING) 500°10'27"E 5314.48'

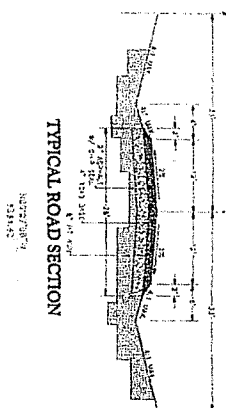
23 24
26 25
T12N, R24W



VICINITY MAP

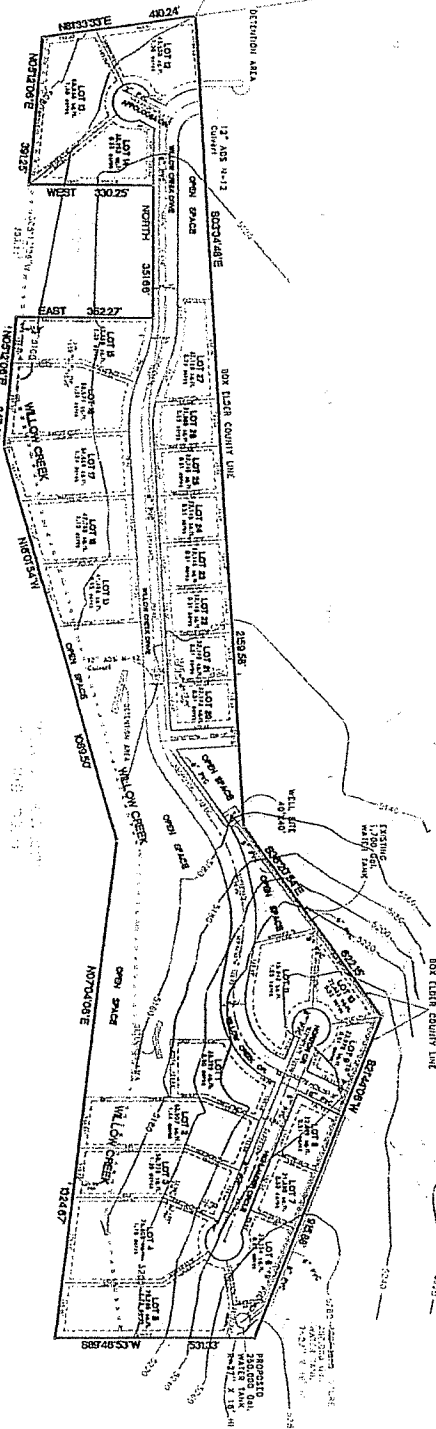
1. The purpose of this plan is to show the proposed subdivision of the land shown on the map.
2. The land shown on the map is located in the East 1/2 of Section 23, T12N, R24W, S1B & M, U.S. Survey.
3. The land shown on the map is located in Box Elder County, Utah.
4. The land shown on the map is located in the East 1/2 of Section 23, T12N, R24W, S1B & M, U.S. Survey.
5. The land shown on the map is located in Box Elder County, Utah.
6. The land shown on the map is located in the East 1/2 of Section 23, T12N, R24W, S1B & M, U.S. Survey.
7. The land shown on the map is located in Box Elder County, Utah.
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9. The land shown on the map is located in Box Elder County, Utah.
10. The land shown on the map is located in the East 1/2 of Section 23, T12N, R24W, S1B & M, U.S. Survey.
11. The land shown on the map is located in Box Elder County, Utah.
12. The land shown on the map is located in the East 1/2 of Section 23, T12N, R24W, S1B & M, U.S. Survey.
13. The land shown on the map is located in Box Elder County, Utah.
14. The land shown on the map is located in the East 1/2 of Section 23, T12N, R24W, S1B & M, U.S. Survey.
15. The land shown on the map is located in Box Elder County, Utah.

TYPICAL ROAD SECTION



SECTION 23
26 25

S 1/4 COR.
23 24
26 25
T12N, R24W



J. ALTON VEIBELL

HIGH COUNTRY ESTATES

PRELIMINARY

BOX ELDER COUNTY, UTAH



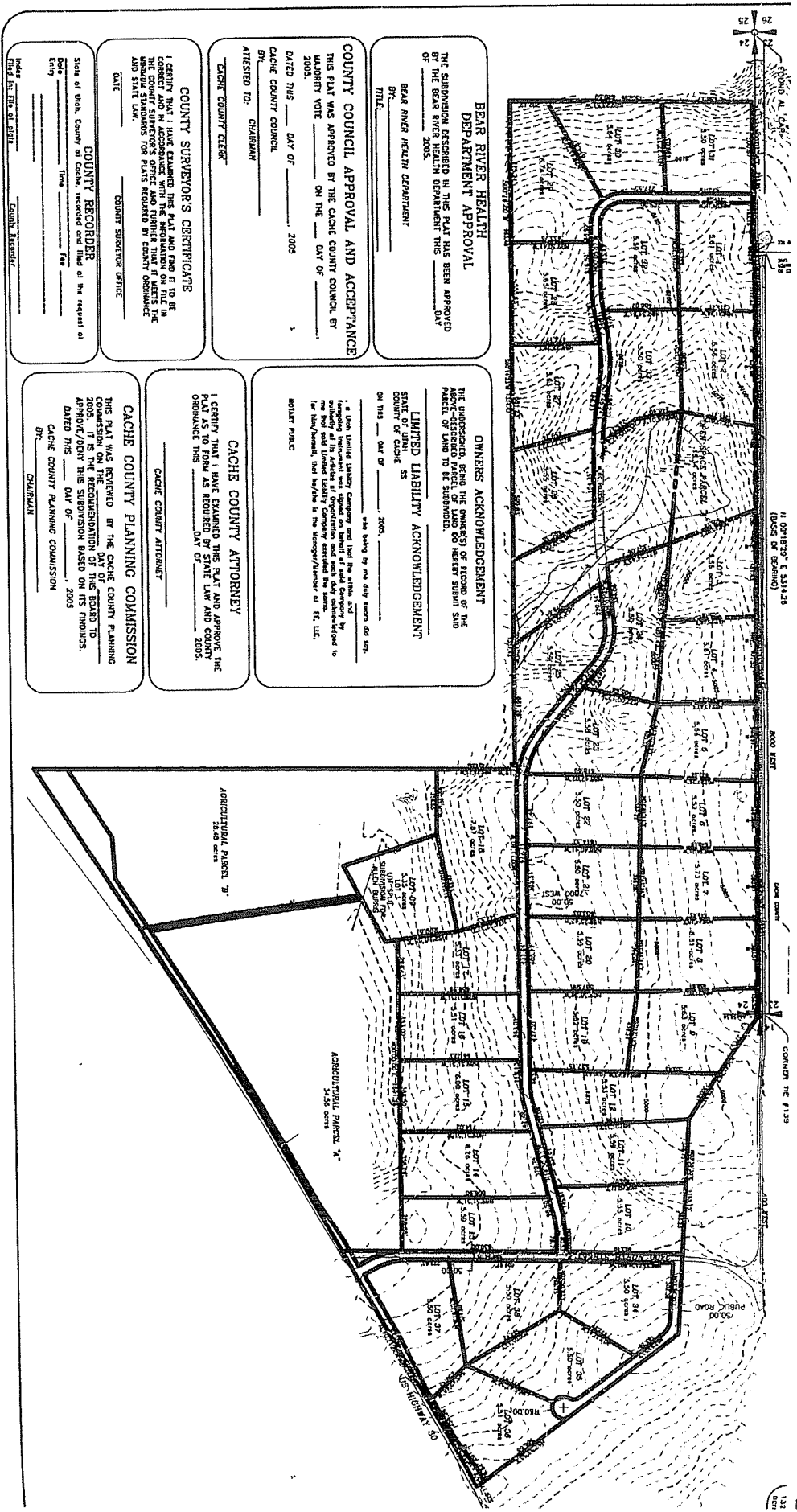
REVISIONS	
DATE	DESCRIPTION

SCALE: 1"=50'
DATE: JULY 2006
DESIGN
DRAWN: J.V.
CHECKED:

DWG: Q:\JULY\HIGH COUNTRY\HCP\JULY - VelloSubPrePlot1.dwg



5875 S. Antelope Ave.
Provo, Utah 84606
(801) 476-1234



WILLOW CREEK WATER CO

Budget for 2009

	Month	Year
1. Electric bill for pumps-----	\$60.00-----	\$720.00?
2. Chlorine-----	\$18.00-----	\$216.00
3. Water tests-----	\$40.00-----	\$480.00
4. Accounting-----	\$33.34-----	\$400.00?
7. Reserve for repairs-----	\$83.33-----	\$1,000.00?
Total-----	234.67-----	\$2,816.00

Income from water use:

Monthly water fees at \$38.00 per mo. (7 connections yr.)-\$3,192.00

Overage fees at \$1.00 per 1000 gal.-----\$950.96

Total yearly fees-----\$4,142.96

Total reserve after expenses-----\$1,326.98 ---7 Yrs.--\$9,288.72

Need a new backup pump for the well, the old one has been in for a number of years and now has a bad vibration in it, not knowing how much longer it will last, makes us wonder if it will hold up long enough in case something happens to the new pump we put in during 2006. It cost us \$6,800.00 which included 3 new lengths of pipe and all new wiring. Hope it will hold out, and we do not have any unforeseen problems.

The new water storage tank will have to be vacuumed out every 7 to 8 years, depending on how much sediment is formed in the bottom of the tank from iron and other metals contained in the water source. The outlet pipe leading to the distribution lines is 8 inches above the bottom of the tank, if not vacuumed out, and let to build up it would let the brown rusty looking material flow into the distribution line. Today's cost to have it vacuumed out runs around \$2,500.00.

6:42 AM

03/11/09

Accrual Basis

Willow Creek Water Co. Inc.

Balance Sheet

As of December 31, 2008

	<u>Dec 31, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 - Key Bank	6,993.93
Total Checking/Savings	<u>6,993.93</u>
Total Current Assets	6,993.93
Fixed Assets	
2000 - Pump House	3,095.53
2025 - Water Tank	252,430.00
2075 - Beginning Investment (AV)	105,000.00
2100 - Equipment	6,389.80
2700 - Accumulated Depreciation	-5,611.18
Total Fixed Assets	<u>361,304.15</u>
TOTAL ASSETS	<u>368,298.08</u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
4000 - N/P Cache Box Properties Loan	4,500.00
4100 - Loan from Allen E Burris	252,430.00
4300 - Equity Loan from Alton Veibell	105,000.00
Total Long Term Liabilities	<u>361,930.00</u>
Total Liabilities	361,930.00
Equity	
5000 - Partners Capital	219.67
Net Income	6,148.41
Total Equity	<u>6,368.08</u>
TOTAL LIABILITIES & EQUITY	<u>368,298.08</u>

6:40 AM
03/11/09
Accrual Basis

Willow Creek Water Co. Inc.
Profit & Loss
January through December 2008

	<u>Jan - Dec 08</u>
Ordinary Income/Expense	
Income	
6000 - Water Use Fees	7,624.00
Total Income	<u>7,624.00</u>
Expense	
8280 - Water Tests	154.00
8290 - System Maintenance	81.62
8520 - Bank Charges	104.25
8530 - Postage and Delivery	19.69
8600 - Utilities	1,116.03
Total Expense	<u>1,475.59</u>
Net Ordinary Income	<u>6,148.41</u>
Net Income	<u><u>6,148.41</u></u>

ALTA Commitment Form

WILLOW CREEK WATER COMPANY, INC.
ATTN: J. ALTON VEIBELL COMMITMENT FOR TITLE INSURANCE

Issued by

BE9169



STEWART TITLE GUARANTY COMPANY, a Texas Corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

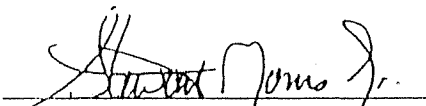
This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

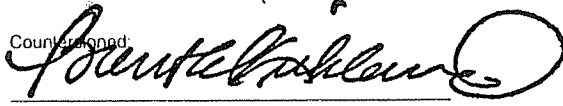
All liability and obligation under this Commitment shall cease and terminate six months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

This Commitment shall not be valid or binding until countersigned by a validating officer or authorized signatory.


IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.


Chairman of the Board

Countersigned:

Authorized Countersignature


title guaranty company




President

DELIVER TO: J. ALTON VEIBELL
ADDRESS: 14015 NORTH 400 WEST
BEAVER DAM, UT 84306

Schedule A

Order Number: BE9169

Stewart Commitment

1. **Effective Date:** March 23, 2009 @ 8:00 AM

2. Policy or Policies to be issued:	Amount of Insurance	Premium Amount
(a) A.L.T.A. Owner's Policy(6-17-2006) Proposed Insured	\$ TBD	\$ TBD
 (b) A.L.T.A. Loan Policy(6-17-2006) Proposed Insured:	 \$ TBD	 \$ TBD
 (c) ENDORSEMENTS :		 \$
(d) OTHER: TITLE REPORT ONLY		\$ 200.00

3. The estate or interest in the land described or referred to in this Commitment and covered herein is

FEE SIMPLE (PARCELS 1 and 2)
EASEMENT (PARCELS 3-7)

4. Title to the estate or interest in said land is at the effective date hereof vested in:

WILLOW CREEK WATER COMPANY, INC. A UTAH NON-PROFIT CORPORATION

5. The land referred to in this commitment is described as follows:

Located in BOX ELDER County (PARCELS 1-3), State of Utah:

Located in CACHE County (PARCELS 4-7), State of Utah:

See Attached Exhibit "A"

*The following is shown for informational purposes only:
The address of the property is:*

EXHIBIT "A"

PARCEL 1 (06-0038-0015 B.E. COUNTY 12-046-0008 CACHE COUNTY)

BEGINNING AT THE WELL STEM LOCATED APPROXIMATELY 1345 FEET WEST AND 1375 FEET NORTH OF THE SOUTHEAST CORNER OF SECTION 23, TOWNSHIP 12 NORTH, RANGE 2 WEST, SLB&M; AND RUNNING THENCE AROUND THE PERIMETER OF A SQUARE PARCEL ENCLOSED BY EQUAL 20.00 FOOT SIDES WITH BEARINGS NORTH, EAST, SOUTH, AND WEST AND ALL SIDES 10.00 FEET PERPENDICULAR FROM THE CENTER OF THE WELL STEM: TOGETHER WITH A 20.00 FOOT WIDE ACCESS ROAD RIGHT-OF-WAY TO THE NEAREST PUBLIC ROAD.

SAID PARCEL REDESCRIBED AS FOLLOWS:

BEGINNING AT AN ANGLE POINT ON THE BOX ELDER/CACHE COUNTY LINE SOUT 00°10'27" EAST 3.967.54 FEET AND WEST 1,314.55 FEET FROM THE NORTHEAST CORNER OF SECTION 23, TOWNSHIP 12 NORTH, RANGE 2 WEST, SLB&M; THENCE RUNNING THE FOLLOWING COURSES:

SOUTH 62°06'25" WEST 30.64 FEET TO A FUTURE RIGHT OF WAY LINE OF WILLOW CREED DRIVE BEING A NON-TANGENT CURVE TO THE LEFT; THENCE NORTHERLY 59.90 FEET ALONG SAID CURVE TO THE LEFT (R= 433.00', DELTA = 7°55'36", T=30.00', LC=59.86', CHB=N 31°51'23" W); THENCE NORTH 54°10'49" EAST 66.54 FEET TO THE BOX ELDER/CACHE COUNTY LINE; THENCE SOUTH 03°34'48" EAST 75.59 FEET ALONG SAID BOX ELDER/CACHE COUNTY LINE TO THE POINT OF BEGINNING.

PARCEL 2 (06-038-0016 B.E. COUNTY 12-046-0008 CACHE COUNTY)

BEGINNING AT A POINT ON THE SOUTH LINE OF SECTION 23, 1,284.79 FEET SOUTH 89°59'08" WEST OF THE SOUTHEAST CORNER OF SECTION 23, TOWNSHIP 12 NORTH, RANGE 2 WEST, SLB&M; AND RUNNING THENCE NORTH 21°44'06" EAST 94.44 FEET; THENCE NORTH 55°29'44" WEST 51.27 FEET; THENCE SOUTH 21°44'06" WEST 125.72 FEET; THENCE NORTH 89°59'08" EAST 53.83 FEET TO THE POINT OF BEGINNING.

SAID PROPERTY RE-DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF SECTION 23, 1289.07 FEET SOUTH 89°46'53" WEST FROM THE SOUTHEAST CORNER OF SECTION 23, TOWNSHIP 12 NORTH, RANGE 2 WEST, SLB&M; AND RUNNING THENCE NORTH 21°44'06" EAST 103.27 FEET; THENCE SOUTH 84°33'17" WEST 96.85 FEET; THENCE SOUTH 11°27'23" WEST 89.79 FEET; THENCE NORTH 89°46'53" EAST 75.81 FEET TO THE POINT OF BEGINNING.

PARCEL 3: (AFFECTS 06-038-0006 BOX ELDER COUNTY)

AN EASEMENT AND RIGHT OF WAY OVER AND ACROSS THE FOLLOWING:

BEGINNING AT THE WELL STEM LOCATED APPROXIMATELY 1345 FEET WEST AND 1375 FEET NORTH OF THE SOUTHEAST CORNER OF SECTION 23, TOWNSHIP 12 NORTH, RANGE 2 WEST, SLB&M; A 20 FOOT WIDE EASEMENT BEING 10 FEET ON EITHER SIDE OF THE FOLLOWING DESCRIBED CENTER LINE, TO WIT: SOUTH 36°20'45" EAST PARALLEL TO AND 10 FEET SOUTH AND WEST OF SUBDIVISION PERIMETER LINE 650 FEET MORE OR LESS TO A POINT 10 FEET WEST OF THE SUBDIVISION PERIMETER LINE; THENCE SOUTH 21°44'06" WEST 890 FEET, MORE OR LESS, TO THE WATER STORAGE RESERVOIR.

PARCEL 4: (AFFECTS 12-046-0002 CACHE COUNTY)

A FIFTEEN (15) FOOT WIDE EASEMENT, BEING 7.5 FEET ON EITHER SIDE OF A CENTER LINE AND BEGINNING AT THE ABOVE DESCRIBED WELL STEM (SEE PARCEL 1 ABOVE); AND RUNNING SOUTH 21° EAST 130 FEET; THENCE NORTH 46°40' EAST 140 FEET; THENCE SOUTH 54° EAST 416 FEET; THENCE NORTH 29° EAST 60 FEET, MORE OR LESS, TO A POINT ON A LINE PARALLEL TO AND 7.5 FEET WEST OF THE WEST PROPERTY LINE OF THREE (3) TEN ACRE PARCELS; THENCE NORTH PARALLEL TO AND 7.5 FEET WEST OF THE WEST PROPERTY LINES OF SAID PARCELS, 1,820 FEET, MORE OR LESS, TO A POINT NEAR THE MIDDLE OF THE ALTON AND GRETHE VEIBELL PARCEL; THENCE EAST 600 FEET THROUGH THE MIDDLE OF SAID VEIBELL PARCEL; THENCE NORTH 430 FEET PARALLEL TO AND 7.5 FEET WEST OF THE WEST PROPERTIES OF DAVID L. CHRISTENSEN AND CRAIG A. VEIBELL PARCELS.

PARCEL 5: (AFFECTS 12-046-0002/ CACHE COUNTY)

EASEMENT DESCRIPTION FOR A FUTURE 250,000 GALLON WATER TANK PARCEL:

A PARCEL WITHIN CACHE COUNTY IN THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 12 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN BEGINNING AT A POINT ON THE SOUTH SECTION LINE SOUTH 89°46'53" WEST 1289.07 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 23; THENCE THE FOLLOWING COURSES:

NORTH 21°44'06" EAST 103.27 FEET ALONG THE CACHE/BOX ELDER COUNTY LINE AND THE PROPOSED HIGH COUNTRY ESTATES SUBDIVISION BOUNDARY LINE; THENCE NORTH 89°46'53", EAST 86.25 FEET; THENCE SOUTH 21°44'06" WEST 103.27 FEET TO THE SOUTH SECTION LINE OF SAID SECTION 23; THENCE SOUTH 89°46'53" WEST 86.25 FEET ALONG SAID SECTION LINE TO THE POINT OF BEGINNING.

PARCEL 6: (AFFECTS 12-046-0002/ CACHE COUNTY)

EASEMENT FOR UTILITY LINES FOR WILLOW CREEK WATER COMPANY: A 50 FOOT WIDE PARCEL WITHIN CACHE COUNTY IN THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 12 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN BEGINNING AT A POINT ON THE CACHE/BOX ELDER COUNTY LINE SOUTH 89°46'53" WEST 1289.07 FEET ALONG THE SOUTH LINE OF SECTION 23 FROM THE SOUTHEAST CORNER OF SECTION 23 AND NORTH 21°44'06" EAST 103.27 FEET ALONG THE CACHE/BOX ELDER COUNTY LINE AND THE PROPOSED HIGH COUNTRY ESTATES SUBDIVISION BOUNDARY LINE; THENCE THE FOLLOWING COURSES:

NORTH 21°44'06" EAST 821.61 FEET ALONG SAID CACHE/BOX ELDER COUNTY LINE AND THE PROPOSED HIGH COUNTRY ESTATES SUBDIVISION BOUNDARY LINE; THENCE SOUTH 36°20'54" EAST 58.91 FEET; THENCE SOUTH 21°44'06" WEST 761.31 FEET; THENCE SOUTH 89°46'53" WEST 53.91 FEET TO THE POINT OF BEGINNING.

PARCEL 7: (AFFECTS 12-046-0002/ CACHE COUNTY)

EASEMENT FOR UTILITY LINES FOR WILLOW CREEK WATER COMPANY: A PARCEL WITHIN CACHE COUNTY IN THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 12 NORTH, RANGE 2 WEST, SALT LAKE BASE AND MERIDIAN BEGINNING AT A POINT OF THE BOX ELDER/CACHE COUNTY LINE BEING SOUTH 00°10'27" EAST 4468.69 FEET AND WEST 947.30 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 23; THENCE THE FOLLOWING COURSES:

NORTH 21°51'23" WEST 339.06 FEET; THENCE NORTH 89°49'33" EAST 770.61 FEET TO THE WEST RIGHT OF WAY LINE OF 8000 WEST STREET (CACHE COUNTY) ALSO KNOWN AS 400 WEST (BOX ELDER COUNTY; THENCE SOUTH 00°10'27" EAST 20.00 FEET ALONG SAID WEST RIGHT OF WAY LINE; THENCE SOUTH 89°49'33" WEST 746.34 FEET; THENCE SOUTH 21°51'23" WEST 348.22 FEET; THENCE NORTH 36°20'54" WEST 35.30 FEET TO THE POINT OF BEGINNING.

Schedule B-1 REQUIREMENTS

Order Number: BE9169

The following requirements must be met and completed to the satisfaction of the Company before its policy of title insurance will be issued:

1. Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest, mortgage or lien to be insured
2. Furnish proof of payment of all bills for labor and material furnished or to be furnished in connection with improvements erected or to be erected.
3. Pay all general and special taxes now due and payable.
4. Any matter in dispute between you and the Company may be subject to arbitration as an alternative to court action pursuant to the rules of the American Arbitration Assoc. or other recognized arbitrator a copy of which is available on request from the Company. Any decision reached by arbitration shall be binding upon both you and the Company. The arbitration award may include attorney's fees if allowed by state law and may be entered as a judgement in any court of proper jurisdiction.
5. This Commitment will be subject to defects, liens, encumbrances, adverse claims or other matters, if any created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date of the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment if not cleared prior to recoration of the insured interest.
6. Release(s), reconveyance(s), or satisfaction(s), of items to be paid off.
7. Notice to Applicant: If the applicant desires copies of the documents underlying any exception to coverage shown herein, the Company will furnish the same on request, if available, either with or without charge as appears appropriate.
8. Notice to Applicant: The land covered herein may be serviced by districts, service companies and/or municipalities which assess charges for water, sewer, electricity and other utilities, etc. Which are not covered by this report or insured under a Title Insurance Policy.
9. Pay us the premiums, fees and charges for the policy. In the event the transaction for which the commitment is furnished cancels, the minimum cancellation fee will be \$120.00
10. Standard Exceptions 1-7 of Schedule B, Section 1, will be eliminated from the ALTA Loan Policy upon satisfaction of any underwriting requirements.
11. Further requirements to be determined.

Schedule B-2

EXCEPTIONS

Order Number: BE9169

Stewart Commitment

Showing matters which will be excepted in the Policy unless the same are disposed of to the satisfaction of the company.

(SECTION-1)

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interest, or claims which are not shown by the Public Records, but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, liens, or encumbrances, or claims that of, which are not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims, or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
7. Any adverse claim based upon the assertion that: a) Some portion of the land forms the bed or bank of a navigable river or lake, or lies below the mean high water mark thereof; b) the boundary of the land has been affected by a change in the course or water level of a navigable river or lake; c) The land is subject to water rights, claims or title to water and to any law or governmental regulation pertaining to wetlands, d) easments for use of the surface of water on the land for fishing, boating, swimming or similar activity.

(Section-2)

The following matters will be excepted in Schedule B of the policy to be issued:

1. Taxes for the year 2009 are a lien not yet due. Taxes for the year 2008 were paid in the amount of \$5.41. Tax Serial No. 06-038-0015 (PARCEL 1). (BOX ELDER COUNTY)

Taxes for the year 2009 are a lien not yet due. Taxes for the year 2008 were paid in the amount of \$5.41. Tax Serial No. 06-038-0016 (PARCEL 2). (BOX ELDER COUNTY)

Said parcels 1 and 2 are also taxed by Cache County under 12-046-0008 2008 tax paid \$10.02.

(Continued)

SCHEDULE B2 - Section 2

(Exceptions continued)

2. The described property is found within the boundaries of BOX ELDER COUNTY and CACHE COUNTY, and is subject to all charges and assessments levied thereby. (assessed within taxes)
3. Subject to easements and rights of way not of record for any roads, ditches, canals or transmission lines now existing over, under or across the subject property.
4. Excepting therefrom all oil, gas, and mineral rights and rights appurtenant thereto.
5. Matters set forth in that certain Quit Claim Deed recorded March 18, 1998 in Book 672, at Page 790, as Entry No. 108612 (Box Elder County) and recorded March 18, 1998 as Entry No. 679183, in Book 798 at Page 610 (Cache County).
6. Matters set forth in Easement Deed recorded March 30, 2007 as Entry No. 940124, in Book 1455, at Page 238 (Cache County) affecting Easements described as Parcels 5,6, and 7 herein.
7. Ordinance No. 282 Re-zoning Beaver Dam area recorded August 2, 2005 as Entry No. 216448, in Book 933, at Page 1320, Box Elder County Utah.

NOTE: Judgments affecting real property have been checked under the names of

WILLOW CREEK WATER COMPANY, INC. .

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No unsatisfied judgments affecting Real Property appear of record in the last eight years except as shown herein.

BOX ELDER LAND TITLE INSURANCE AGENCY, INC.

Please make any inquiries for Title questions to 435-257-5149 or e-mail service@boxeldertitle.com

If closing packages are to be sent via e-mail, please use service@boxeldertitle.com

Box Elder Land Title Insurance Agency

Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Stewart Title Guaranty Company and Box Elder Land Title Insurance Agency

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transaction we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, not additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service provider such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service provider.

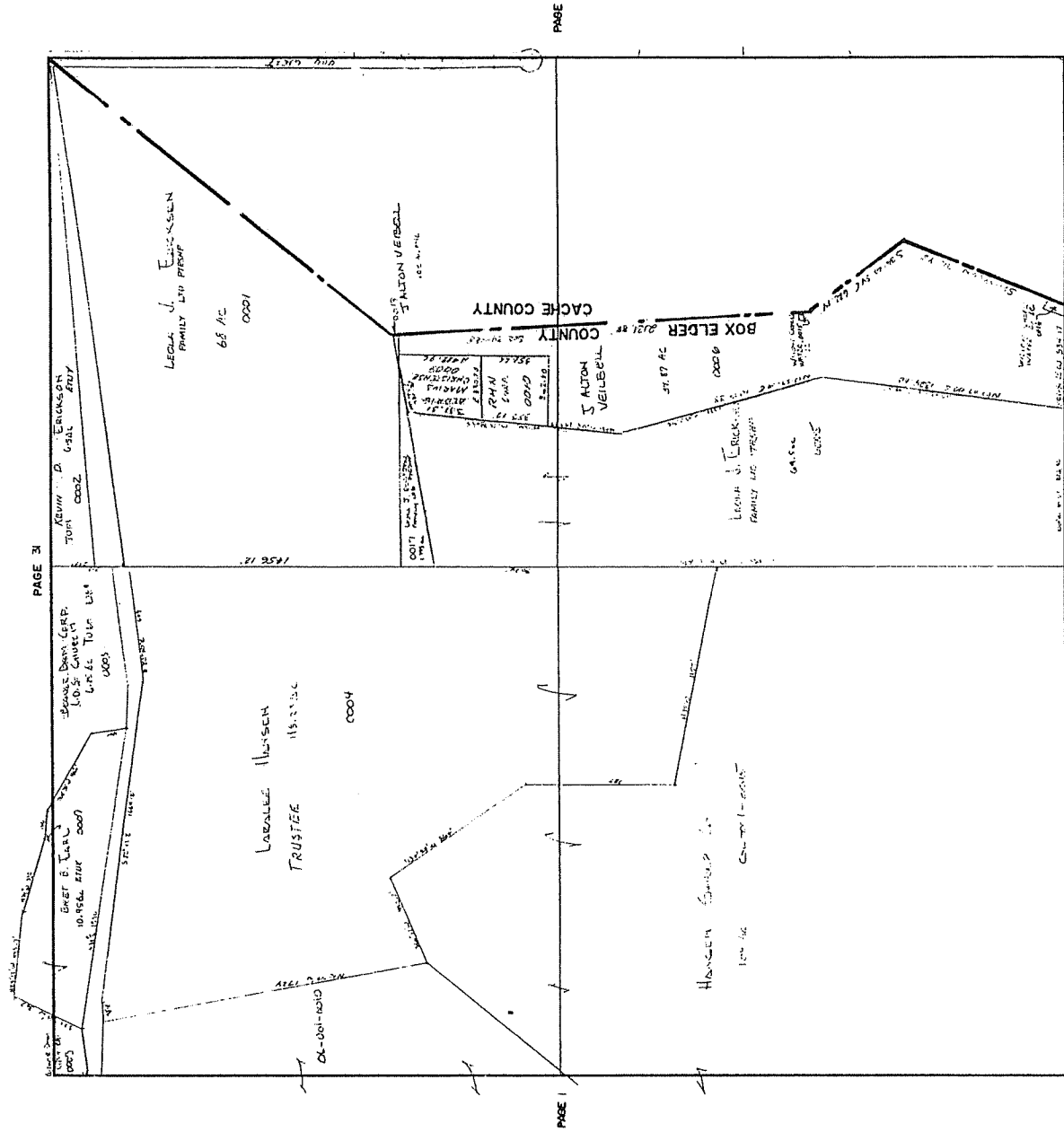
WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

SECTION 23 TOWNSHIP 12N RANGE 2W S.L.B.&M. Book 6 Page 38

SCALE 1" = 400'

PREFIX 06-038 TAX UNIT 0160



1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. *The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at< <http://www.alta.org/>>.*



All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252.

WILLOW CREEK WATER COMPANY
February 19, 2009 Directors meeting 4:00 p.m.

Discussion Items:

1. November 2008 meeting on 2009 budject and update of fees in by-laws.
 - A. We had discussed that the \$25.00 per month fee per water user was not bringing in enough revenue to meet expences to serve the 7 water users, and not give us any reserve for unforeseen expenses.
 - B. Going by what another small water co. was charging, we sent out a letter stating the updated fees, approved from the buy-laws by the Directors.
 - C. Craig Veibell had mentioned that he was probably using a lot more water than anyone else on the system, and it would be more fare.
2. Letters of protest.
 - A. Received letters of protest on the increase of fees, stating that they would not be getting there allotted amount of water for the monthly fee, in the amount of 293,274 gallons per year.
 - B. When the increase was made we did not take in consideration the amount of water allotted to the water users, this causing the protests.
3. Conflict of interest between directors and water users.
 - A. Alton Veibell (president) called the Utah public Service Commission on water and asked them if it is conflict of interest, the way we had it set up, they said no, the developers can have members of their family as directors, secretary treasure and president until all 83 lots are sold then the water co. will be turned over to the home owners association to run. Then a new president and directors will be chosen by vote from water users.
4. Return Letter to protesters on update of fees in by-laws.
 - A. A new letter will be made up stating Meters would be read on the 31st of October each year if the gallons used for that year exceeded 293,274 gallons they would be charged the overage fee of \$2.00 per 1,000 gallons.
 - B. The increased fee would be \$38.00 per month.
 - C. There needs to be a reserve build up for an emergency, such as vacuming out tank every 7 to 8 years, at todays price it runs \$2,500.00.
 - D. Our back up pump has a bad vibration. It may not hold up very long if something happens to the new pump that was installed in 2006, it cost \$6,800.00 including 3 lengths of new pipe, and 600 feet of new wire.
5. How to budjet vacuming out water storage tank every 7 to 8 years.
(cost at todays price, \$2,500.00.)
 - A. We have some excess money from the sale of water to parson construction that went onto highway 30. That is not enough in case of an emergency.
6. How to budjet new back up pump for well. (The last new pump cost \$6,800.00 including 3 new lengths of pipe and 600 feet of new wire to pump).
 - A. Same as number 5 above.
7. Public Utilities exemption for non profit Corporations.
 - A. Alton Veibell received the forms from the Public Service Commission on Utilities from Salt Lake, City.
 - B. The forms need to be made out, noterized and sent back to them as soon as possible or we will have to pay a \$100.00 fee and they will regulate

the monthly fees.

8. Annual Report and renewal fee for Corporation, (due by Mar. 02, 2009)

A. Alton will see that it is done before the end of the month.

9. Miscellaneous items.

A. The developers will not put any more money in for expenses to furnish water to those already on the system. It will have to come from the water users.

B. All expansion to the system will come from impact fees from developers as lots are sold

C. Received a bill from Circle Construction for \$13,143.60.

\$900.00 should be billed to R.H.N. Corporation

\$3,000.00 should be billed to Cache Box Properties Inc.

D. The issue of Arsenic has to be brought into the budject, are is the Developer liable for it . Back in 1993 when the well was put into use, for cullinary purpose, the Utah level for Arsenic was 0.5 parts per million, since that time the utah level has dropped to 0.1 parts per million. Our well tests out at 0.225 parts per million.

President: J. Alton Veibell

Director: Allen E. Burris

Director: Craig A. Veibell

WILLOW CREEK WATER COMPANY
March 12, 2009 Directors Meeting
Minutes

Discussion Items:

1. Approval of February 19 Directors meeting minutes.
 - A. Discussion.
Change overage fee of \$2.00 per 1000 gallons to \$1.00 per 1000 gallons.
Other water companies are charging around the \$1.00 mark.
 - B. Will keep the minimum fee at \$38.00 for the first 13,000 gallons per month. This will still give us enough extra for a reserve.
 - C. Minutes were then approved. all were in favor.
2. Budget for 2009.
 - A. We will need to read meters April 1st of this year, because the meters wasn't read last October 31st so we can tell about how much overage their will be from usage during the summer months.
 - B. Overage fees may be short due to questionable water usage.
 - C. Budget was approved, all were in favor.
3. Public Service Commission Application.
 - A. Reviewed Public Service Application, was approved, all were in favor.
4. Tariff no. 1.
 - A. Reviewed Tariff and approved it, all were in favor.
5. Balance sheet.
 - A. Reviewed and approved Balance sheet, all were in favor.
6. Miscellaneous items.
 - A. The Arsenic issue: We will wait until more users are on the system.
 - B. No plan for expansion at this time.

President: J. Alton Veibell

Director: Allen E. Burris

Director: Craig A. Veibell